



Memo

To: Mayor and Hayden City Council

From: Alan Soderling, P.E., Public Work Director

Date: 2-4-2025

Agenda Item: Request to Purchase a Leased CAT Loader

Agenda Item Location

Consent Calendar

Recommended Action or Motion

Staff recommends the approval and authorization of the mayor to sign the Request to Purchase the CAT Loader, not to exceed without prior authorization, for \$128,655.

Functional Impact of Authorizing

We have been leasing a CAT Loader from Caterpillar since Feb 2020. We have been making payments on the Loader for 5 years and that lease agreement has come to term. If we approve the final payment then we will be able to keep the CAT Loader that we have been using over the last 5 years and it will be including in our fleet inventory.

Functional Impact of Not Authorizing

If we decide to move on from this agreement, then we would have to enter into a new lease agreement. That would mean that the cost will increase, and we estimate that a new lease would increase by 22%. That translates to be around \$33,000 dollars a year for the new lease. At that rate, this loader would essentially pay for itself in less than 4 years, but on a new lease we would have to start all over.

Fiscal Impact

This agreement is included in the FY2025 budget, but we did not account for the balloon payment this year. Therefore, this will have an impact on the FY2025 budget. We accounted for the annual payment, but not the final payment of the lease.

Budget Funding Source / Transfer Request

GL #110-535-54013- 930 CAT Loader

Attachment

Lease Agreement with Caterpillar for Loader.



1. PARTIES

CONTRACTOR("we", "us", or "our"):

CUSTOMER("you" or "your"):

CATERPILLAR FINANCIAL SERVICES CORPORATION
2120 WEST END AVENUE
NASHVILLE, TN 37203

CITY OF HAYDEN
8930 N. GOVERNMENT WAY
HAYDEN, ID 83835

In reliance on your selection of the equipment described below (each a "Unit"), we have agreed to acquire and Contract the Units to you, subject to the terms of this Contract. **Until this Contract has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Contract with us on the terms stated herein.**

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNIT(S) Whether the Unit is new or used, the model number, the manufacturer, and the model name.	SERIAL/VIN Unique ID number for this Unit.	QTY.	CONTRACT TERM HOURS	MINIMUM ANNUAL HOURS	COST PER HOUR FOR EQUIPMENT FINANCE ⁽¹⁾	MANDATORY FINAL PAYMENT Payment at end of lease for purchase of Unit (see Section 15)
New 2020 Caterpillar 930M WHEEL LOADER	F5K00386	1	3000	600	\$34.80	\$128,655

LOCATION OF UNITS: 8930 N Government Way, Hayden, ID 83835 Kootenai County

You acknowledge that the Units described above were delivered to you in good working condition and that you accepted them January 2020 [on the date indicated]. If any of the Units described above will be delivered to you after your execution of this Contract, you agree to sign and deliver to us a separate delivery certificate.

An **Application Survey ("Application Survey")** for each Unit, if used in relation to this transaction, is made a part of and incorporated into this Contract.

⁽¹⁾ **Maintenance Agreement(s)**. If applicable, you have or will enter into various maintenance, repair, monitoring, management or services agreement(s) with Western States Equipment Co. ("Dealer") for each Unit of equipment described above, (such agreement or agreements shall be referred to herein individually as a "Maintenance Agreement" and collectively as the "Maintenance Agreements") [in the form or forms attached hereto as Schedule 1]. You acknowledge that the Dealer, and not the Contractor, is responsible for the services provided under the Maintenance Agreements. [You confirm that the specific amount of the portion of the Cost Per Hour for maintenance is as set out in the separate Maintenance Agreements.]

TERMS AND CONDITIONS

3. Contract Term The Contract Term will start on the date we sign the Contract and will continue until the Termination Date defined below, unless earlier terminated or canceled by us as expressly provided herein. However, we will have no obligation to enter into this Contract and/or pay the supplier of the Units (the "Supplier") for a Unit until you have delivered to us all documents that we deem reasonable. The termination date for the Contract ("Termination Date") will be the earlier of (a) when the billed hours equal the Contract Term Hours listed in the table in Section 2 for the relevant Unit of equipment; and (b) **60** months from the date we sign this Contract. Such Unit of equipment will remain subject to the terms of the Contract.

4. Contract Payment You will pay us an Annual Contract Payment beginning on or about the date the contract is signed by us and Annual Contract Payments will continue on the same day of each year thereafter for the entire Contract Term. You will also pay us all other amounts payable under the terms of this Contract and under any other document executed in connection with this Contract, including each applicable Application Survey (the "Contract Documents") ("Other Payments", and together with Annual Contract Payments, collectively, "Contract Payments").

We or our agent shall invoice you for the Contract Payments. We or

our agent may, at our discretion, include in the invoice for the Contract Payments the invoice for fees due under the Maintenance Agreements. You shall pay all invoices in full within thirty (30) calendar days of the invoice date. All invoices shall be paid without setoff for any reason whatsoever, including, but not limited to, any claim under a Maintenance Agreement. You will pay Contract Payments and any Maintenance Agreement fees invoiced by us to our agent at **Caterpillar Global Services, LLC, 100 NE Adams Street, Peoria, IL, 61629-6321**, or such other location that we designate in writing. Additional details about the Contract Payments are set forth below and on Schedule 2 hereto, including without limitation the amount of principal and interest payments, the amortization schedule and the Mandatory Final Payment that shall be invoiced and due after the Contract Term.

The Contract Payments will be due without demand. Your obligations, including your obligation to pay the Contract Payments due in any fiscal year, will constitute a current expense of yours for such fiscal year and will not constitute an indebtedness of yours within the meaning of the constitution and laws of the state in which you are located. Nothing in this Contract will constitute a pledge by you of any taxes or other moneys, other than moneys lawfully appropriated from time to time for the payment of the Contract Payments owing under

this Contract.

A portion of each Annual Contract Payment and the Mandatory Final Payment (collectively, the "P&I Payments" and, individually, a "P&I Payment") constitutes interest and the balance of each P&I Payment is payment of Principal. The portion of the P&I Payments constituting principal ("Principal") is **\$20,880.65** as of the date of delivery of the Unit. Principal, as adjusted as provided below, will bear interest (computed on the basis of actual days elapsed in a 360 day year) at the rate of 3.85% per annum from the later of (a) the date of delivery of the Unit or (b) the date on which we received the most recent P&I Payment, until the date on which we receive the next P&I Payment. Each P&I Payment will be applied first to pay interest accrued as of the date of receipt and then to pay Principal, which shall be reduced accordingly.

For each Unit of equipment in the table in Section 2, the **Annual Contract Payment** will be (a) the Minimum Annual Hours multiplied by the Cost Per Hour ("**Minimum Contract Payment**"); or (b) if the actual annual hours based on the service meter units of the individual Unit of equipment exceeds the Minimum Annual Hours in such table, the Annual Contract Payment will be: (i) the actual number of annual hours multiplied by (ii) the Cost Per Hour. If the actual annual hours are less than the Minimum Annual Hours for a given year, then the difference in hours will be tracked as credit hours ("**Credit Hours**") to be applied in future years when the actual annual hours exceed the Minimum Annual Hours. The Credit Hours will be used on a one-for-one basis to reduce the actual annual hours used to determine the hours to bill under (b) above, provided that in no event will the actual annual hours be reduced below the Minimum Annual Hours.

For any year in which you use hours (adjusted for any Credit Hours) in excess of the Minimum Annual Hours, and thus the Annual Contract Payment for that year is in excess of the Minimum Contract Payment, then the amount of the Annual Contract Payment that exceeds the Minimum Contract Payment will be used to reduce the Principal under the Contract. Use of excess hours above the Minimum Annual Hours will shorten the term of the Contract since the total contracted hours will be reached at an earlier date.

You agree this Contract constitutes a non-cancelable net Contract. You also agree that your duties and liabilities under this Contract and the other Contract Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Contract.

5. Disclaimer of Warranties You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or a dealer or supplier of any of the Units. WE MAKE NO WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THIS CONTRACT OR TO ANY UNIT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH UNIT IS CONTRACTED "AS IS, WHERE IS". WE MAKE NO WARRANTIES AS TO THE QUALITY OF MATERIALS OR WORKMANSHIP OR THAT THE MATERIALS OR WORKMANSHIP COMPLY WITH THE TERMS OF ANY PURCHASE ORDER OR AGREEMENT. WE EXPRESSLY DISCLAIM, AND YOU WAIVE ALL OTHER WARRANTIES AND CLAIMS EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY UNIT OR THIS CONTRACT, INCLUDING WITHOUT LIMITATION: (A) ANY IMPLIED WARRANTY THAT ANY UNIT IS MERCHANTABILITY; (B) ANY IMPLIED WARRANTY THAT ANY UNIT IS FIT FOR A PARTICULAR PURPOSE; (C) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE; (D) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT; AND (E) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY FOR LOSS OF OR DAMAGE TO ANY UNIT, FOR LOSS OF USE, REVENUE, OR PROFIT WITH RESPECT TO ANY UNIT, FOR ANY LIABILITY TO ANY THIRD PARTY, OR FOR ANY OTHER INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING STRICT OR ABSOLUTE LIABILITY IN TORT. Nothing in this Contract takes away any rights you may have

against any other parties (such as the Supplier or the manufacturer of any Unit). You agree to pursue only these third parties for any and all claims concerning any Unit except as to ownership and title. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.

6. Possession, Use, and Maintenance (a) At your own expense, you will use and keep the Units in good operating order and condition, including hour reporting capability, and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws and regulations, including any rules or limits on idling, fleet average or site based exhaust emissions, operational limitations, or any other use related regulations, for which you have sole responsibility for compliance. (b) You will not abandon a Unit. (c) You will not subcontract a Unit or permit the use of a Unit by anyone other than you. (d) You will not change the use of a Unit from that specified in an applicable Application Survey, without our prior written consent. (e) You will not change the Location of a Unit from that specified above without providing us with prompt written notice of such change. (f) You will not remove a Unit from the United States. (g) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest or encumbrance on any of your rights under this Contract or with respect to a Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right (but not the obligation) to inspect each Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of use. You will not alter a Unit or affix any accessory or equipment to a Unit if doing so will impair its originally intended function or use or reduce its value. You will not make any "non-reversible" addition (as defined for federal income tax purposes) to a Unit without our prior written consent. If added to a Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Contract as if originally contracted under this Contract. If an Event of Default has occurred and is continuing, all parts, accessories and equipment affixed to a Unit will become our property.

7. TAXES Contract Payments will include all taxes arising from, or due in connection with, this Contract or the Units. You will pay when due, or promptly reimburse us for payment of, all taxes (other than our federal, state, or local net income taxes) imposed on a Unit or Contract Payments. You will also pay or reimburse us for all (i) license and registration fees, (ii) fines, penalties, interest, or additions to any tax, (iii) charges similar to those stated herein that are imposed in connection with the ownership, possession, use, or lease of a Unit from the time we purchase the Unit until it is returned to us or purchased by you. You will remain responsible for the payment, or reimbursement of, any such charges, regardless of when we receive notice of the charge. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. If the use, possession or acquisition of the Units is determined to be subject to taxation, you will pay when due all taxes and governmental charges assessed or levied against or with respect to the Units.

8. Loss or Damage (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Contract Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Contract. Should any loss or damage occur, you will not be released from your obligations under the Contract or any other Contract Document. A "**Casualty Occurrence**" will occur if a Unit is worn out, lost, stolen, destroyed, taken by government action or, in our opinion, irreparably damaged. (b) You will provide prompt written notice to us of any Casualty Occurrence or any other material damage to a Unit. You will also promptly submit to us: (i) all damage reports provided to a governmental authority, an insurer or the Supplier; and (ii) all documents regarding the repair of such damage, including

copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Contract, you will promptly repair all damage that does not constitute a Casualty Occurrence, so as to restore the Unit to the condition required by this Contract. (d) In the event of a Casualty Occurrence, you will pay to us, on the first Annual Contract Payment due date following the Casualty Occurrence (or 30 days after the Casualty Occurrence if there is no Annual Contract Payment due date remaining) a "Casualty Payment" equaling the sum of: (i) the present value of all unpaid future Contract Payments for the Unit; (ii) the present value of the Final Payment for the Unit as stated on the front of this Contract; and (iii) all other amounts then due under this Contract with respect to the Unit suffering the Casualty Occurrence (including all late charges and fees). Present values will be determined by discounting the amount owed (as we will reasonably determine) at the interest rate of this Contract. Upon our receipt of the Casualty Payment for a Unit, the Contract Term with respect to the Unit shall terminate.

9. Waiver and Indemnity You release and agree to indemnify, defend, and keep harmless, us (including any assignee of ours) and our directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all Claims (defined below) (other than those directly resulting from the actual negligence or misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims, when and as they become due. We will give you prompt notice of a Claim. You are entitled to control the defense of or to settle a Claim, so long as: (a) no Event of Default has occurred and is then continuing; (b) you are financially capable of satisfying your obligations under this Section; and (c) we approve your proposed defense counsel. "Claims" means all claims, allegations, judgments, settlements, suits, actions, damages (whether incidental, consequential or direct), demands (for compensation, indemnification, reimbursement or otherwise), losses, penalties, fines, liabilities (including strict liability), and charges that we incur or for which we are or may be responsible, in the nature of interest, liens, and costs (including attorneys' fees and disbursements and any other legal or non-legal expenses of investigation or defense of any Claim, whether or not the Claim is ultimately defeated, or enforcing the rights, remedies, or indemnities provided for hereunder, or otherwise available at law or in equity to us), of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, by or against any person. Claims include any of the foregoing arising from: (i) a Contract Document; (ii) a Unit, including the contents and any regulated or hazardous substances at any time contained in a Unit or emitted from a Unit, (iii) the premises at which any Unit may be located from time to time; (iv) the ordering, acquisition, delivery, installation, or rejection of a Unit; (v) the possession of a Unit or any property to which the Unit may be attached from time to time; (vi) the maintenance, use, condition, ownership or operation of any Unit, during the Contract Term; (vii) the existence of a latent or other defect (whether or not discoverable by you or us) with respect to a Unit; (viii) any Claim in tort for negligence or strict liability in relation to a Unit; (ix) any Claim for patent, trademark or copyright infringement in relation to a Unit; (x) the loss, damage, theft, removal, return, surrender, sale, or other disposition of any Unit or any part thereof; or (xi) any Claim involving or alleging environmental damage, or any criminal or terrorist act, relating in any way to a Unit. To the extent necessary under law or regulation, in order to eliminate liability for us, we transfer and you accept the transfer from us of any and all liability associated with exhaust emissions in connection with the Units. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable attorneys' fees, incurred by any Indemnitee in defending such claims or in enforcing this Section. Under no condition or cause of action will we be liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

10. Insurance; Condition You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for at least the amount you would be required to pay in the event of a Casualty Occurrence. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage

per occurrence. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. All insurance shall be primary, without the right of contribution from any insurance carried by us. All insurance must have a deductible amount acceptable to us. You must promptly notify us of any occurrence that may become the basis of a claim. You must also provide us with all requested pertinent data. Upon demand, you must promptly deliver to us evidence of insurance coverage. You agree to use, operate and maintain the Units in accordance with all laws, regulations and ordinances and in accordance with the provision of any policies of insurance covering the Units, and you will not rent the Units or permit the Units to be used by anyone other than you. You agree to keep the Units in good repair, working order and condition (ordinary wear and tear excepted) and house the Units in suitable shelter, and to permit us or our assigns to inspect the Units at any time and to otherwise protect our interests in the Units. If any Unit is customarily covered by a maintenance agreement, you will furnish us with a maintenance agreement by a party acceptable to us.

11. Events of Default Each of the following is an event of default ("Event of Default"): (a) You fail to make a payment when due. (b) A representation or warranty made to us in connection with this Contract is incorrect or misleading. (c) You fail to observe or perform a covenant, agreement, or warranty and the failure continues for ten days after written notice to you. (d) A default occurs under any other agreement between you or a guarantor of this Contract (each a "Guarantor") and us or an affiliate of ours. (e) You, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors. (f) Any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within thirty days after filing or appointment. (g) There is a material adverse change in your, or a Guarantor's, financial condition, business operations or prospects. (h) There is a termination, breach, or repudiation of a Guarantor's guaranty.

12. Remedies If an Event of Default occurs, we will have the rights and remedies provided by this Contract and under the Uniform Commercial Code and any other law. Among these rights and remedies are to: (a) proceed at law or in equity, to enforce specifically your performance or to recover damages; (b) declare this Contract in default, and cancel this Contract or otherwise terminate your right to use any Unit and your other rights, but not your obligations; (c) declare all Contract Payments due or to become due under this Contract immediately due and payable, including the balance, late payment charges and fees; (d) recover any additional damages and expenses suffered by us due to the Event of Default; (e) enforce the security interest granted herein, if any; (f) require you to assemble and return each Unit pursuant to Section 14; (g) enter premises where a Unit may be located and take immediate possession of the Unit and remove (or disable in place) the Unit (and any unattached parts) without notice, liability, or legal process; and (h) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, we may cancel such warranty agreement on your behalf. Upon canceling any such warranty agreement on your behalf, we may also receive the refund of the agreement fees that we financed but had not received from you as of the date of the Event of Default, and any such refund(s) shall be applied to the principal amount due and owing hereunder. You agree to pay all charges, costs, expenses and reasonable attorney's fees incurred by us in enforcing this Contract. We may, at our option, use commercially reasonable efforts to sell or re-Contract a Unit. The proceeds of any such sale or re-Contract will be applied, first, to reimburse us for all expenses of collection and enforcement of this Contract, including our reasonable attorneys' fees and legal expenses. The proceeds will be applied, second, to obligations owed to us under this Contract. Any remaining proceeds will then be applied to any other indebtedness or obligations owed by you to us or our affiliates. You will promptly pay any deficiency to us. The remedies provided to us are cumulative and in addition to all other remedies existing at law or in equity. If you fail to perform any of your obligations under this Contract,

we may (but need not) perform the obligations. If we perform such obligations for you, you must then pay, on demand, the resulting expenses incurred by us.

13. Title; Return of Units Notwithstanding our designation as "Contractor", we do not own the Units. Legal title to the Units will be in you so long as an Event of Default has not occurred and you have not exercised your right of non-appropriation. If an Event of Default occurs or if you non-appropriate, full and unencumbered title to the Units will pass to us without the necessity of further action by the parties, and you will have no further interest in the Units. If we are entitled to obtain possession of any Units or if you are obligated at any time to return any Units, then (a) title to the Units will vest in us immediately, and (b) you will, at your expense, promptly deliver the unit to us properly protected and insured as required by Section 11. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit; or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If the Unit is not in the condition required by Section 11 or if the Unit is not in the same operating order, repair, condition, and appearance as it was on the date of delivery (excepting ordinary wear and tear from proper use), you must pay us, on demand, all costs and expenses incurred by us to bring the Unit into the required condition. Until the Units are returned as required above, all terms of this Contract will remain in full force and effect including, without limitation, your obligation to pay Lease Payments and to insure the Units.

14. Non-Appropriation You have an immediate need for, and expect to make immediate use of, the Units. This need is not temporary or expected to diminish during the term of this Contract. To that end, you agree, to the extent permitted by law, to include in your budget for the current and each successive fiscal year during the term of this Contract, a sufficient amount to permit you to discharge your obligations under this Contract. Notwithstanding any provision of this Contract to the contrary, we and you agree that, in the event that prior to the commencement of any of your fiscal years you do not have sufficient funds appropriated to make the Contract Payments due under this Contract for such fiscal year, you will have the option of terminating this Contract as of the date of the commencement of such fiscal year by giving us sixty (60) days prior written notice of your intent to terminate. No later than the last day of the last fiscal year for which appropriations were made for the Payments (the "Return Date"), you will return to us all of the Units, at your sole expense, in accordance with Paragraph 14, and this Contract will terminate on the Return Date without penalty or expense to you and you will not be obligated to pay the Contract Payments beyond such fiscal year; provided, that you will pay all Contract Payments for which moneys have been appropriated or are otherwise available; and provided further, that you will pay year-to-year rent at the rate set by us for each year or part of any year that you fail to return the Units.

15. Mandatory Final Payment If no Event of Default has occurred and is continuing, you must, with respect to a Unit, purchase the Unit for the Final Payment amount stated on the front of this Contract, provided, however, that the Final Payment will be reviewed by us throughout the term of this Contract and may be adjusted periodically by us to reflect the actual utilization of the Unit(s). The Final Payment will be due at the end of the Contract Term. Upon payment of the Final Payment and all other amounts due under this Contract, plus any taxes or other costs and expenses due in connection with the transfer of the Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of sale. The bill of sale will be delivered to you without warranties except that the Unit is free of all encumbrances of any person claiming through us. You will purchase the Unit "AS IS, WHERE IS, WITH ALL FAULTS". If you fail to purchase the Unit at the end of the Contract Term, in addition to our other rights and remedies upon an Event of Default, you agree to pay to us annual late charges, each equal to five percent (5%) of the Final Payment, compounded annually.

16. Security Interest To secure your obligations to us under this Contract and to secure all other obligations of every kind and nature that you may owe to us or any of our affiliates now or in the future, you grant to us a continuing first priority security interest in each Unit including all attachments, accessories and optional features therefor (whether or not installed thereon) and all substitutions, replacements, additions, and accessions, and the proceeds of all the foregoing,

including, but not limited to, proceeds in the form of chattel paper. You will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document which we deem desirable to protect our security interest in each Unit and our rights and benefits under this Contract. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents. You also authorize us to delegate these limited powers.

17. Representations and Warranties You represent and warrant to us that: (a) You will use each Unit for business purposes only and not for personal, family or household use. (b) You will provide all financial information and reporting as we may reasonably require. (c) All credit, financial and other information submitted by you or on your behalf to us in connection with this Contract is and shall be true, correct and complete. (d) You will not change your name, principal place of business or primary residence and, if you are a business entity, your state of formation or form of business organization (including by merger, consolidation, reincorporation or restructure) without prior written notice to us. (e) We may share any of your information provided by you, or gathered by us, with any affiliate of ours that has or may extend credit to you. (f) You will not assign this Contract or any right or obligation under it without our prior written consent. (g) In the event any Unit is equipped with a Unit monitoring system such as Cat® Product Link, you agree not to remove, disable or impair the Unit monitoring system. You agree to permit Caterpillar Inc. and/or its subsidiaries or affiliates, including us (collectively "Caterpillar"), and/or Caterpillar dealers to access data concerning the Unit, its condition and its operation transmitted from the monitoring system. The information may be used: (1) to administer, implement and enforce the terms of this Contract, (2) to recover the Unit if necessary, and/or (3) to improve Caterpillar's products and services. You agree that information transmitted may include, among other things, the serial number, VIN, location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

18. Assignment; Counterparts We may not assign, sell or encumber all or any part of this Contract, the Contract Payments, and the Units. Subject to the terms herein, this Contract will inure to the benefit of, and is binding upon, your and our respective successors. Though multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by us on the signature page thereof as the original will constitute original chattel paper. A photocopy or facsimile of this Contract will be legally admissible under the "best evidence rule." A signed copy of this Contract and/or any related document sent by electronic means will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered.

19. Effect of Waiver; Entire Agreement; Notices;

Applicable Law Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Contract and any Contract Document, including any applicable Application Survey, executed in connection with this Contract completely state our and your rights and supersede all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Contract or at such other address as may be furnished in writing. This Contract is governed by and construed under the laws of the State of Tennessee, without giving effect to the conflict-of-laws principles. You consent to the jurisdiction of any state or federal court located within the State of Tennessee. **THE PARTIES WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATED TO THIS CONTRACT, THE OBLIGATIONS, OR THE UNITS.**

20. No Agency; Modification of Contract No person or entity, including, without limitation, the supplier, dealer or manufacturer of any Unit, is authorized to act as our agent regarding this Contract. No waiver, modification, or change in this Contract will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Contract and the Contract Documents and fill in blanks, including, for example, correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Contract are inserted for convenience only. Headings do not affect the meaning

or interpretation of this Contract. If a provision of this Contract is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Contract is deemed to be usurious, the payment obligation shall be amended and replaced with the maximum lawful amount. All obligations under this Contract survive the expiration or termination of the Contract if necessary to give full effect to the terms of this Contract.

21. Sanctions & Anti-Corruption Laws. None of (a) the Customer, or any of its respective directors, officers or employees, or (b) to the knowledge of the Customer, any agent of the Customer or any subsidiary, affiliate of related entity of the Customer (that will act in any capacity in connection with or benefit from the credit facility established hereby), is a Sanctioned Person. No use of proceeds received under the terms of this Contract will be used by Customer, or to the knowledge of the Customer by any of its agents, to violate applicable Anti-Corruption Laws or applicable Sanctions. As used herein "Anti-Corruption Laws" means all applicable laws, rules, and regulations of any jurisdiction concerning or relating to bribery or corruption applicable to the Customer due to Customer's use of proceeds received under the terms of this Agreement. "Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the or by the United Nations Security Council, the European Union or any EU member state, or (b) any Person owned or controlled by any such Person.

22. Compliance with US Laws. The Customer and the Customer's shareholders shall not, directly or indirectly, engage in or conspire to engage in any activity that may or does cause the Contractor to be in breach (as determined by the Contractor at its sole discretion) of or has the purpose of evading or avoiding, or attempts to violate any applicable United States laws, governmental rules and regulations, and Executive Orders relating to financial transactions, anti-money laundering, and terrorism, including but not limited to United States economic sanctions,

the USA Patriot Act (P.L. 107-56, as amended), and the Foreign Corrupt Practices Act (15 U.S.C. §§ 78dd-1, et seq.).

25. Compliance with US Laws. The Customer and the Customer's shareholders shall not, directly or indirectly, engage in or conspire to engage in any activity that may or does cause the Contractor to be in breach (as determined by the Contractor at its sole discretion) of or has the purpose of evading or avoiding, or attempts to violate any applicable United States laws, governmental rules and regulations, and Executive Orders relating to financial transactions, anti-money laundering, and terrorism, including but not limited to United States economic sanctions, the USA Patriot Act (P.L. 107-56, as amended), and the Foreign Corrupt Practices Act (15 U.S.C. §§ 78dd-1, et seq.).

26. Tax Warranty You will, at all times, do and perform all acts and things necessary and within your control to ensure that the component of the Contract Payments received by us that, for the purposes of Federal income taxation, is treated as interest will be excluded from our gross income. You will not permit or cause your obligations under this Agreement to be guaranteed by the Federal Government or any branch or instrumentality of the Federal Government. You will use the Units for the purpose of performing one or more of your governmental functions consistent with the scope of your authority and not in any trade or business carried on by a person other than you. You will report this Agreement to the Internal Revenue Service by filing Form 8038G, 8038GC or 8038, as applicable. Failure to do so will cause this Agreement to lose its tax- exempt status. You agree that if the appropriate form is not filed, or if you are in breach of any other tax warranty in this paragraph, the interest rate payable under this Agreement will be raised to the equivalent taxable interest rate.

By signing this Contract, you certify that you have read this Contract and all the other Contract Documents, including any applicable Application Survey.

SIGNATURES

CONTRACTOR CATERPILLAR FINANCIAL SERVICES CORPORATION

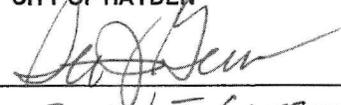
Signature _____

Name (print) _____

Title _____

Date _____

CUSTOMER CITY OF HAYDEN

Signature  _____

Name (print) STEVEN J. GRIFFITHS

Title MAYOR

Date April 22, 2020

SCHEDULE 1
Maintenance Agreements

SCHEDULE 2

[Details on Contract Payments, including Amortization Schedule, to be added]



GOVERNMENTAL ENTITY RESOLUTION TO LEASE, PURCHASE AND/OR FINANCE

WHEREAS, the laws of the State of Idaho (the "State") authorize CITY OF HAYDEN (the "Governmental Entity"), a duly organized political subdivision, municipal corporation or similar public entity of the State, to purchase, acquire and lease personal property for the benefit of the Governmental Entity and its inhabitants and to enter into any necessary contracts; and

the Governmental Entity wants to lease, purchase and/or finance equipment ("Equipment") from Caterpillar Financial Services Corporation and/or an authorized Caterpillar dealer ("Caterpillar") by entering into that certain Governmental Equipment Lease-Purchase Agreement (the "Agreement") with Caterpillar; and

the form of the Agreement has been presented to the governing body of the Governmental Entity at this meeting.

RESOLVED, that: (i) the Agreement, including all schedules and exhibits attached to the Agreement, is approved in substantially the form presented at the meeting, with any Approved Changes (as defined below), (ii) the Governmental Entity enter into the Agreement with Caterpillar and (iii) the Agreement is adopted as a binding obligation of the Governmental Entity; and

that changes may later be made to the Agreement if the changes are approved by the Governmental Entity's counsel or members of the governing body of the Governmental Entity signing the Agreement (the "Approved Changes") and that the signing of the Agreement and any related documents is conclusive evidence of the approval of the changes; and

that the persons listed below, who are the incumbent officers of the Governmental Entity (the "Authorized Persons"):

Name (Print or Type)	Title (Print or Type)
<u>Steven J. Griffiths</u>	<u>Mayor</u>
<u>Brett Boyer</u>	<u>City Administrator</u>

be, and each is, authorized, directed and empowered, on behalf of the Governmental Entity, to (i) sign and deliver to Caterpillar, and its successors and assigns, the Agreement and any related documents, and (ii) take or cause to be taken all actions he/she deems necessary or advisable to acquire the Equipment, including the signing and delivery of the Agreement and related documents; and

that the Secretary/Clerk of the Governmental Entity is authorized to attest to these resolutions and affix the seal of the Governmental Entity to the Agreement, these resolutions, and any related documents; and

that nothing in these resolutions, the Agreement or any other document imposes a pecuniary liability or charge upon the general credit of the Governmental Entity or against its taxing power, except to the extent that the payments payable under the Agreement are special limited obligations of the Governmental Entity as provided in the Agreement; and

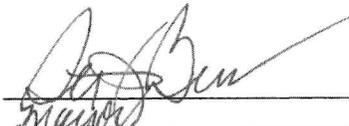
that a breach of these resolutions, the Agreement or any related document will not impose any pecuniary liability upon the Governmental Entity or any charge upon its general credit or against its taxing power, except to the extent that the payments payable under the Agreement are special limited obligations of the Governmental Entity as provided in the Agreement; and

that the authority granted by these resolutions will apply equally and with the same effect to the successors in office of the Authorized Persons.

I, Steven J. Griffiths, Mayor of CITY OF HAYDEN, certify that the resolutions above are a full, true and correct copy of resolutions of the governing body of the Governmental Entity. I also certify that the resolutions were duly and regularly passed and adopted at a meeting of the governing body of the Governmental Entity. I also certify that such meeting was duly and regularly called and held in all respects as required by law, at the Governmental Entity's office. I also certify that at such meeting, a majority of the governing body of the Governmental Entity was present and voted in favor of these resolutions.

I also certify that these resolutions are still in full force and effect and have not been amended or revoked.

IN WITNESS of these resolutions, the officer named below executes this document on behalf of the Governmental Entity.

Signature: 
 Title: Mayor
 Date: April 23, 2020





Verification of Insurance

Lessee:

LESSOR (we):

CATERPILLAR FINANCIAL SERVICES CORPORATION
2120 West End Avenue
Nashville, TN 37203-0001

LESSEE (you):

CITY OF HAYDEN
8930 N. GOVERNMENT WAY
HAYDEN, ID 83835

Subject: Insurance Coverage Requirements

1. The above-named Lessor and Lessee have entered into Governmental Equipment Lease-Purchase Agreement Transaction Number 3842109 (the "Agreement"). In accordance with the Agreement, Lessee has instructed the insurance agent named below:

Company: ICRMP via Payne West Insurance

Address: 703 Lakeside Ave

Phone No: 208-667-9406

Agent's Name: Dustin Harris

to issue:

a. All Risk Physical Damage Insurance on the Equipment (as defined in the Agreement) evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming the Lessor and/or its Assignee, as loss payee.

The Coverage Required: the aggregate purchase price for the Equipment.

b. Public Liability Insurance evidenced by a Certificate of Insurance, naming the Lessor and/or its Assignee as Additional Insured, with a minimum of \$1,000,000 per occurrence is required.

2. Proof of insurance coverage will be provided to Lessor or its Assignee prior to the time the Equipment is delivered to Lessee.

Model #	Equipment Description	Serial #	VIN #	Value Including Tax
1. 930M	Caterpillar Wheel Loader			\$203,450.00

SIGNATURES

LESSEE

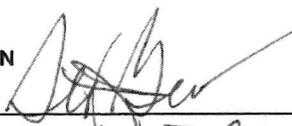
CITY OF HAYDEN

Signature

Name (print)

Title

Date


STEVEN J. GRIFFITHS
MAYOR
April 22, 2020



Re: Governmental Equipment Lease-Purchase Agreement (Transaction Number 3842109) (the "Lease") Between CITY OF HAYDEN("Lessee") and Caterpillar Financial Services Corporation ("Lessor")

Sir/Madam:

I am an attorney for Lessee, and in that capacity I am familiar with the above-referenced transaction, the Lease, and all other documents pertaining to the Lease (the Lease and such other documents pertaining to the Lease being referred to as the "Lease Agreements").

Based on my examination of these and such other documents, records and papers and matters of fact and laws as I deemed to be relevant and necessary as the basis for my opinion set forth below, upon which opinion Lessee and any subsequent assignee of Lessee's interest may rely, it is my opinion that:

- 1. Lessee is a fully constituted political subdivision or agency duly organized and existing under the Constitution and laws of the State of Idaho (the "State"), and is authorized by such Constitution and laws (i) to enter into the transaction contemplated by the Lease Agreements and (ii) to carry out its obligations thereunder.
2. The Lease Agreements (i) have been duly authorized, executed and delivered by Lessee and (ii) constitute valid, legal and binding obligations and agreements of Lessee, enforceable against Lessee in accordance with their terms, assuming due authorization and execution thereof by Lessor.
3. No further approval, license, consent, authorization or withholding of objections is required from any federal, state or local governmental authority with respect to the entering into or performance by Lessee of the Lease Agreements and the transactions contemplated by the Lease Agreements.
4. Lessee has sufficient appropriations or other funds available to pay all amounts due under the Lease Agreements for the current fiscal year.
5. The interest payable to Lessor by Lessee under the Lease Agreements is exempt from federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended.
6. The entering into and performance of the Lease Agreements will not (i) conflict with, or constitute a breach or violation of, any judgment, consent decree, order, law, regulation, bond, indenture or lease applicable to Lessee, or (ii) result in any breach of, or constitute a default under, or result in the creation of, any lien, charge, security interest or other encumbrance upon any assets of Lessee or the Units (as defined in the Lease) pursuant to any indenture, mortgage, deed of trust, bank loan, credit agreement or other instrument to which Lessee is a party, or by which it or its assets may be bound.
7. No litigation or proceeding is pending or, to the best of my knowledge, threatened to, or which may, (a) restrain or enjoin the execution, delivery or performance by Lessee of the Lease Agreements, (b) in any way contest the validity of the Lease Agreements, (c) contest or question (i) the creation or existence of Lessee or its governing body or (ii) the authority or ability of Lessee to execute or deliver the Lease Agreements or to comply with or perform its obligations under the Lease Agreements. There is no litigation or proceeding pending or, to the best of my knowledge, threatened that seeks to or could restrain or enjoin Lessee from annually appropriating sufficient funds to pay the Lease Payments (as defined in the Lease) or other amounts contemplated by the Lease Agreements. In addition, I am not aware of any facts or circumstances which would give rise to any litigation or proceeding described in this paragraph.
8. The Units are personal property and, when subjected to use by Lessee, will not be or become fixtures under the laws of the State.
9. The authorization, approval and execution of the Lease Agreements, and all other proceedings related to the transactions contemplated by the Lease Agreements, have been performed in accordance with all applicable open meeting, public records, public bidding and all other applicable laws, rules and regulations of the State.
10. The appropriation of moneys to pay the Lease Payments coming due under the Lease and any other amounts contemplated by the Lease Agreements does not and will not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.
11. The Lessor will have a perfected security interest in the Units upon the filing of an executed UCC-1 or other financing statement at the time of acceptance of the Units with the Secretary of State for the State.

SIGNATURE

Name (PRINT): STEVEN J A GRIFFITHS
Signature: [Handwritten Signature]
Title: [Handwritten Title]

Date: April 22, 2020
Address: 8930 N Government Way
Hayden, ID 83835





Meeting Minutes

WESTERN STATES EQUIPMENT CO.
500 E. OVERLAND ROAD
P.O. BOX 38
BOISE ID 83707-0038

Reference:

CITY OF HAYDEN

We are requesting a copy of the minutes of the appropriation meeting during which the funds for this deal were allocated.

A copy of this information is necessary to complete the documentation package and to fund the deal. Your ability to return a complete package will ensure timely payment to you.

Thank you for your assistance.

CATERPILLAR FINANCIAL SERVICES CORPORATION
DOCUMENTATION DEPARTMENT



**MINUTES OF THE CITY COUNCIL MEETING
FOR THE CITY OF HAYDEN, KOOTENAI COUNTY, IDAHO**

August 27, 2019

**Workshop: 3:30 PM
Regular Meeting: 5:00 PM
Hayden City Hall, Council Chambers
8930 N. Government Way, Hayden, ID 83835**

CALL TO ORDER

Mayor Griffiths called the meeting to order at 3:30 p.m.

ROLL CALL OF COUNCIL MEMBERS

Council President Saterfiel and Council Members Panabaker and DeLange were present. Council Member Roetter was absent.

Also present: Lonnie Harrington, Nancy Jones, and John Young members of the task force. City Staff Sandee Rudy, Brett Boyer, John Cafferty, and Abbi Sanchez, and Kootenai County Sheriff's Office Captain Matt Street.

Visitor: Jillian Bernstien

1. WORKSHOP

A. Law Enforcement Needs Discussion

Mr. Lonnie Harrington received confirmation that the amount of \$403,506 has been approved by council during a prior meeting. He received confirmation from Mayor Griffiths that the Task Force would be asked to be involved in further educational forums.

Mr. Harrington left the meeting after receiving the confirmation.

Council Member Panabaker stated in response to Council Member Roetter's comment that an increase in law enforcement isn't needed now from the CDA Press, that in the 1990's the City thought the same thing about the need to increase the levy rate. He stated further that because they were short sighted at that time, this City is now facing an issue with funding.

Discussion about the two drafts of proposed ballot language occurred. One draft includes a statement of purpose along with language identifying a financial impact to the Hayden Urban Renewal Agency (HURA).

City Attorney John Cafferty discussed his research and conversation with the Secretary of State's (SOS) Office and the Kootenai County Elections (Elections) Office regarding the statement of purpose and HURA language. He stated that he concurs with the SOS Office that the statement of purpose should not be included. He noted that the Elections Office has not taken a position on the statement of purpose.

Captain Matt Street stated that when the discussion first started there were 14 vacancies and as of today there is only one. The 13 deputies hired are in various stages of training and implementation of employment. This changes the implementation timeframe should the Base Budget Increase get approved. He is confident that barring any unforeseen vacancies, the four dedicated deputies could be hired within the next two years instead of four years.

Discussion continued about how the additional amount, over and above the first year revenue, would be allocated. The consensus was to give the year five amount (\$403,506 + \$285,853) to the County for law enforcement the first year the City receives the increase in revenues.

Ms. Bernstien received confirmation that the patrol cars have "City of Hayden" on them. She stated that she would like to see the County plan for the growth of the future by increasing the number of positions for deputies. Captain Street replied that this is the first time in a while that all vacancies for deputies have been filled. The commissioners wanted to this happen prior to adding additional positions.

Discussed about true onboarding costs occurred. Council expressed interest in onboarding two deputies year 1 (end of FY2020) and 2 deputies year 2 (FY2021).

Mr. Boyer stated that the estimated increase in property taxes per month is \$5.00 for a home assessed at \$300,000 with the homeowner's exemption.

Direction was given for the public information sheet to include correct and consistent information and that the recommendation came from a citizen task force. Council would like to have the sheet put together early and brought to Council for approval.

The workshop ended at 4:35 p.m.

Mayor Griffiths called the meeting back to order at 5:00 p.m.

PLEDGE OF ALLEGIANCE

Mayor Griffiths asked Mr. Art Collins to lead the pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

Item 3J was removed from the agenda.

2. PROCLAMATION

A. Constitution Week Proclamation

Mayor Griffiths read the proclamation that proclaimed September 17th – 23rd as Constitution Week in Hayden.

B. Suicide Prevention Awareness Day

Mayor Griffiths read the proclamation that proclaimed September 14th as Suicide Prevention Awareness Day in Hayden.

3. CONSENT CALENDAR ALL ITEMS ON THE CONSENT CALENDAR ARE ACTION ITEMS

- A. Approval of July 23, 2019 Regular City Council Meeting Minutes
- B. Approval of July 30, 2019 Special City Council Meeting Minutes
- C. Approval of Used Curriculum Sale Event Permit Application
- D. Approval of City of Hayden Employee Personnel Policy Manual Changes Resolution
- E. Acceptance of Warranty Deed from Viking Construction for Carrington Meadows
- F. Acceptance of Carrington Meadows Grant of Sewer Easement
- G. Approval of Carrington Meadows Final Plat
- H. Approval of Hayden Area Regional Sewer Board Wastewater Treatment Plant Facility Upgrades Payment Request to AQUA Engineers
- I. Approval of Hayden Area Regional Sewer Board Wastewater Treatment Plant Facility Upgrades Payment Request to J-U-B Engineers, Inc.
- ~~J. Approval of Agreement with the City of Hayden Lake to Serve Sewer to Batchy Partnership Property~~
- K. Approval of Bills for Payment

MOTION: Council Member Panabaker motioned to approve the consent calendar as presented with the omission of Item 3J. Council President Saterfiel provided the second.

ROLL CALL VOTE:
 Council Member DeLange Yes
 Council President Saterfiel Yes
 Council Member Panabaker Yes

The motion passed with a unanimous vote in favor by the members present.

4. VISITOR/PUBLIC COMMENTS (5 Minutes Maximum on Non-Agenda Items)

None

5. PUBLIC HEARING

A. ACTION ITEM FY 2020 Budget Appropriations

After reading the procedures for a City initiated public hearing, Mayor Griffiths opened the hearing at 5:52 p.m.

City Administrator Brett Boyer reviewed the budget process beginning with receiving department needs and the Council Retreat followed by multiple budget workshops. He reviewed the projected property tax revenues for FY2020 noting that the anticipated increase including the 3% allowed by state law and new construction is approximately \$105,000.

After reviewing Council's decision to switch medical benefit plans in an effort to reduce premium increases and the needed equipment that will be purchased using one-time monies from growth revenues, Mr. Boyer reviewed the major projected changes in revenue. Staff has budgeted for building and development revenues to decrease and sales tax revenues to increase.

PUBLIC COMMENT: None

Mayor Griffiths closed the hearing at 6:06 p.m.

MOTION: Council Member Panabaker motioned to approve the FY2020 Budget Appropriations as presented. Council Member DeLange provided the second.

ROLL CALL VOTE:
 Council President Saterfiel Yes
 Council Member DeLange Yes
 Council Member Panabaker Yes

The motion passed with a unanimous vote in favor by the members present.

6. UNFINISHED BUSINESS

A. Follow-Up on Deer Removal Request

This item was heard after the consent calendar.

Idaho Department of Fish and Game representatives Kara Campbell, Regional Wildlife Biologist and Micah Ellstrom, Regional Wildlife Manager provided a presentation on urban deer management in response to Mr. Art Collins' request for the City to do something about the deer nuisance in Hayden during the August 13, 2019 Council meeting.

Ms. Campbell explained that there has been increased growth in Kootenai County from 2010-2017. When natural habitat are taken away for development more interaction with deer and the public occur.

Laws prohibiting the discharge of weapons in city limits, a low abundance of predators in urban areas, and supplemental feeding are among the reasons we are seeing deer in urban areas.

Supplemental feeding causes other issues as well. It attracts unwanted animals including predators, artificially inflates deer populations, increases disease transmission, changes seasonal movement patterns and increases property damage, habituation and human safety, as well as digestive problems

Enforcing City ordinances prohibiting wildlife feeding needs to be enforced in order to help this issue.

The following steps for managing urban deer were suggested:

- Form a committee to review the scope and conduct a citizen survey to identify how big the problem is. Have them assess property damage, safety concerns, the public's tolerance and perception of the urban deer. Finally, the committee should develop measurable goals and present to Council for further action if needed.
- Non-lethal options to manage urban deer population
 - Do nothing
 - Remove attractants
 - Odor repellants
 - Fencing
 - Fire crackers
 - Water scarecrow
 - Birth control/surgical sterilization
 - Idaho State will not implement this program
 - Expensive
 - Works best in closed population
 - Requires booster shot and deer to be trapped
- Lethal options to manage urban deer population
 - Individual hunting – This has been done throughout the United States. It requires greater coordination among the community and hunters. A permit is required and additional security would be needed.
 - Sharpshooting – People would be hired to do this and the meat could be donated. There is a higher human safety concern with this option and it is not a one and done solution.
 - Trap and euthanized – This option is labor intensive, requires a permit from Idaho Fish and Game, would occur during the winter and the meat could be donated. This option is not a one and done solution either. The City of Hayden Lake contracted with a private contractor for three years to manage the deer population in their City. A total of 70 deer were removed and it is safe to say that another 70 replaced the deer that were removed.

Ms. Campbell and Mr. Ellstrom discussed how disease is managed in the deer population. They specifically talked about chronic wasting disease and how Idaho Fish and Game test for this fatal disease that affects the cervidae (hoofed ruminant mammals) family of mammals.

Mayor Griffiths invited Mr. Art Collins, residing at 1214 Glenmore Ct, to speak. After Mr. Collins stated that the deer need to go, Mayor Griffiths asked him what his solution would be. Mr. Collins stated that it has to start with leadership and the decision that the deer must go. He would like to see the deer euthanized and does not believe that they would be replaced.

Mr. Collins shared information he received from the City of Hayden Lake regarding their contract with Northern Wildlife Services who is no longer in business, and the results they had. He stated that they paid \$2000 to contractor and \$6000 for permit from Idaho Fish and Game.

B. ACTION ITEM FY2020 Budget Appropriations Ordinance

MOTION: Council President Saterfiel motioned to allow the ordinance to be read by title only, to suspend a rule of reading in full on three separate dates, and approve the first reading. Council Member DeLange provided the second.

ROLL CALL VOTE:
Council Member Panabaker Yes
Council Member DeLange Yes
Council President Saterfiel Yes

The motion passed with a unanimous vote in favor by the members present.

Mayor Griffiths read the ordinance by title only.

MOTION: Council President Saterfiel motioned to adopt the ordinance having passed its first reading by Title only and published by summary incorporating the Title as a core of the summary upon passage. Council Member Panabaker provided the second.

ROLL CALL VOTE:
Council Member DeLange Yes
Council Member Panabaker Yes
Council President Saterfiel Yes

The motion passed with a unanimous vote in favor by the members present.

C. ACTION ITEM Approval of FY2020-2025 4 Capital Improvement Plan Resolution

MOTION: Council Member Panabaker motioned to approve the FY2020-2024 Capital Improvement Plan Resolution. Council President Saterfiel provided the second.

ROLL CALL VOTE:
Council Member DeLange Yes
Council President Saterfiel Yes
Council Member Panabaker Yes

The motion passed with a unanimous vote in favor by the members present.

D. ACTION ITEM Approval of Ballot Language to Increase Base Budget Ordinance

Mr. Cafferty explained the two versions of ballot language that he provided for review of the Council during the workshop held prior to this meeting. He stated that the difference is the inclusion of a statement of purpose. He explained the position that the Secretary of State's Office, and noted that the Kootenai County Elections Office has not taken a position on the statement of purpose.

Mayor Griffiths explained that Council Member Roetter asked that a notice be added to the ballot identifying the affect a City base budget increase would have for the Hayden Urban Renewal Agency.

The statement of purpose and HURA language was discussed further. Mr. Cafferty explained that state law excludes the requirement of a statement of purpose for base budget resets. For that reason, he recommends following the opinion of the Secretary of State's Office and not include a statement of purpose on the ballot or any language in regards to HURA.

Council President clarified that the purpose of the increase is for law enforcement and that is on the ballot. He stated further that all monies collected for this base budget increase will be utilized for law enforcement.

Mayor Griffiths shared that the due to the filling of vacancies for deputies recently, the Kootenai County Sheriff's Office has stated that the timing for hiring the four additional deputies to Hayden could be sooner than originally anticipated.

MOTION: Council Member Panabaker motioned to approve the ballot language ordinance without the statement of purpose or the language related to the effect on HURA and to allow the ordinance to be read by title only, to suspend a rule of reading in full on three separate dates, and approve the first reading. Council Member DeLange provided the second.

ROLL CALL VOTE:	
Council President Saterfiel	Yes
Council Member Panabaker	Yes
Council Member DeLange	Yes

The motion passed with a unanimous vote in favor by the members present.

Mayor Griffiths read the ordinance by title only.

MOTION: Council Member DeLange motioned to adopt the ordinance having passed its first reading by Title only and published by summary incorporating the Title as a core of the summary upon passage. Council Member Panabaker provided the second.

ROLL CALL VOTE:	
Council President Saterfiel	Yes
Council Member Panabaker	Yes
Council Member DeLange	Yes

The motion passed with a unanimous vote in favor by the members present.

7. NEW BUSINESS

A. ACTION ITEM Title 2 and Title 6 City Code Amendments

Brett explained that we have had some attendance issues at our committee and commission meetings that can affect having a quorum to conduct business. It was requested to amend the code to address the issues of lack of attendance. The code amendment on attendance will be located in the front Title 2 and be applicable to all commissions in that title. It lists that if someone misses three meetings in a row or six for Planning and Zoning, or does not attend 75% of the regular meetings in a calendar year, they shall have been deemed to have resigned from the commission.

Following discussion about numerous missed meetings due to medical reasons or illness, Mr. Boyer stated that members would be able to seek re-appointment to the commission at the time they are able to attend regular meetings.

Title 6 did not have a section to appeal motor vehicle violations. The proposed amendment adds an appeal process that follows the appeal process of the animal violations. Mr. Boyer stated that it provides due process for the citations issued.

Adding Title 2, Chapter 0

MOTION: Council Member Panabaker motioned to allow the ordinance to be read by title only, to suspend a rule of reading in full on three separate dates, and approve the first reading. Council President Saterfiel provided the second.

ROLL CALL VOTE:

Council Member DeLange	Yes
Council President Saterfiel	Yes
Council Member Panabaker	Yes

The motion passed with a unanimous vote in favor by the members present.

Mayor Griffiths read the ordinance by title only.

MOTION: Council Member Panabaker motioned to adopt the ordinance having passed its first reading by Title only and published by summary incorporating the Title as a core of the summary upon passage. Council President Saterfiel provided the second.

ROLL CALL VOTE:

Council Member DeLange	Yes
Council President Saterfiel	Yes
Council Member Panabaker	Yes

The motion passed with a unanimous vote in favor by the members present.

Adding Title 6, Chapter 1, Section 3, Sub-Section I

MOTION: Council Member DeLange motioned to allow the ordinance to be read by title only, to suspend a rule of reading in full on three separate dates, and approve the first reading. Council President Saterfiel provided the second.

ROLL CALL VOTE:

Council Member Panabaker	Yes
Council Member DeLange	Yes
Council President Saterfiel	Yes

The motion passed with a unanimous vote in favor.

Mayor Griffiths read the ordinance by title only.

MOTION: Council Member Panabaker motioned to adopt the ordinance having passed its first reading by Title only and published by summary incorporating the Title as a core of the summary upon passage. Council President Saterfiel provided the second.

ROLL CALL VOTE:

Council Member DeLange	Yes
Council President Saterfiel	Yes
Council Member Panabaker	Yes

The motion passed with a unanimous vote in favor by the members present.

8. REPORTS

A. City Administrator's Report/Calendar Review

Mr. Boyer called attention to the citywide staff meeting on September 4th, the NIBCA settlement hearing is scheduled for September 18th at 3:00 p.m. with Judge Meyer, and the Ramsey Road Extension public hearing open house is on September 9th.

B. Mayor/Council Roundtable Discussion (Reports and Non-Action Items)

Council Member DeLange stated that she will not be available for the September 10 Council meeting. She also introduced Jake Garringer who is a representative for Governor Little who was in the audience as the North Idaho Field Manager for outreach and communication.

Council President Saterfiel shared his thoughts about the deer nuisance and other wildlife. He asked where it stops.

9. AGENDA ITEMS FOR UPCOMING MEETINGS

10. ADJOURNMENT ACTION ITEM

Mayor Griffiths adjourned the meeting at 6:37 p.m.


Abbi Sanchez, City Clerk


Steven J. Griffiths, Mayor





This Purchase Agreement is between **WESTERN STATES EQUIPMENT CO.** ("Vendor") and **Caterpillar Financial Services Corporation** ("Cat Financial"). Vendor agrees to sell to Cat Financial and Cat Financial agrees to buy from Vendor the equipment described below (the "Unit(s)"), subject to the terms and conditions set forth below and on the reverse side hereof.

<u>Description of Unit(s)</u>	<u>Serial#</u>	<u>VIN #</u>	<u>Freight</u>	<u>Total Price</u>
(1) 930M New Caterpillar Wheel Loader			\$0.00	\$203,450.00

Lessee:
CITY OF HAYDEN
8930 N. GOVERNMENT WAY
HAYDEN ID 83835

Subtotal	\$203,450.00
Federal Excise Tax	
Other Tax	
Total Purchase Price	\$203,450.00
Unit(s) Delivery Point:	
8930 N GOVERNMENT WAY	
HAYDEN, ID 83835, KOOTENAI	

See next page for additional terms and conditions.

SIGNATURES

CATERPILLAR FINANCIAL SERVICES CORPORATION

WESTERN STATES EQUIPMENT CO.

Signature _____
 Name(Print) _____
 Title _____
 Date _____

Signature _____
 Name(Print) _____
 Title _____
 Date _____



Additional Terms and Conditions
Transaction Number 3842109



1. The lessee named on the front hereof (the "Lessee") has selected the Unit(s), instructed Cat Financial to purchase the Unit(s) from Vendor, and agreed to lease the Unit(s) from Cat Financial.
2. Cat Financial (or its assignee) will have no obligation hereunder (and any sums previously paid by Cat Financial to Vendor with respect to the Unit(s) shall be promptly refunded to Cat Financial) unless (a) all of the conditions set forth in Section 1.3 (if a master lease agreement) or Section 1 (if a non master lease agreement) of the lease with the Lessee covering the Unit(s) have been timely fulfilled and (b) the Lessee has not communicated to Cat Financial (or its assignee), prior to "Delivery" (as hereinafter defined) of the Unit(s), an intent not to lease the Unit(s) from Cat Financial. All conditions specified in this paragraph shall be deemed timely fulfilled unless prior to Delivery of the Unit(s), Cat Financial (or its assignee) shall notify Vendor to the contrary in writing, which shall include fax or email. "Delivery" shall mean the later of the time (a) Cat Financial executes this Purchase Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Unit(s).
3. Upon timely satisfaction of the conditions specified in Paragraph 2 above, ownership, title and risk of loss to the Unit(s) shall transfer to Cat Financial (or its assignee) upon Delivery of the Unit(s).
4. Vendor warrants that (a) upon Delivery of the Unit(s), Cat Financial (or its assignee) will be the owner of and have absolute title to the Unit(s) free and clear of all claims, liens, security interests and encumbrances and the description of the Unit(s) set forth herein is correct and (b) the Unit Transaction Price set forth on the front hereof for each unit of Unit(s) leased under a lease is equal to such Unit(s)'s fair market value.
5. Vendor shall forever warrant and defend the sale of the Unit(s) to Cat Financial (or its assignee), its successors and assigns, against any person claiming an interest in the Unit(s).
6. Provided that no event of default exists under any agreement between Lessee and Cat Financial and upon timely satisfaction of the conditions specified in Paragraph 2 above, and unless otherwise agreed to in this Purchase Agreement, Cat Financial (or its assignee) shall pay Vendor the total Purchase Price set forth on the front hereof for the Unit(s) within three business days following (a) the receipt and approval by Cat Financial of all documentation deemed necessary by Cat Financial in connection with the lease transaction and (b) all credit conditions have been satisfied.
7. Vendor shall deliver the Unit(s) to the Lessee at the delivery point set forth on the front hereof.
8. This Purchase Agreement may be assigned by Cat Financial to a third party. Vendor hereby consents to any such assignment.
9. This Purchase Agreement shall become effective only upon execution by Cat Financial.

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name City of Hayden		2 Issuer's employer identification number (EIN) 82 ; 6005650	
3 Number and street (or P.O. box if mail is not delivered to street address) 8930 N Government Way		Room/suite	4 Report number (For IRS Use Only) 3
5 City, town, or post office, state, and ZIP code Hayden, ID		6 Date of issue	
7 Name of issue Governmental Pay for Use Contract		8 CUSIP number	
9 Name and title of officer of the issuer or other person whom the IRS may call for more information		10 Telephone number of officer or other person ()	

Part II Type of Issue (enter the issue price) See instructions and attach schedule		
11 Education		
12 Health and hospital		
13 Transportation		
14 Public safety		
15 Environment (including sewage bonds)		
16 Housing		
17 Utilities		
18 Other. Describe ►		
19 If obligations are TANs or RANs, check only box 19a		<input type="checkbox"/>
If obligations are BANs, check only box 19b		<input type="checkbox"/>
20 If obligations are in the form of a lease or installment sale, check box		<input type="checkbox"/>

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	3/2024	\$ 203,450	\$ 126,655	5 years	3.85 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)		
22	Proceeds used for accrued interest	
23	Issue price of entire issue (enter amount from line 21, column (b))	
24	Proceeds used for bond issuance costs (including underwriters' discount)	
25	Proceeds used for credit enhancement	
26	Proceeds allocated to reasonably required reserve or replacement fund	
27	Proceeds used to currently refund prior issues	
28	Proceeds used to advance refund prior issues	
29	Total (add lines 24 through 28)	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)	
31	Enter the remaining weighted average maturity of the bonds to be currently refunded . . . ► _____ years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded . . . ► _____ years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) . . . ► _____
34	Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)

Part VI Miscellaneous

- | | | |
|------------|--|--|
| 35 | | |
| 36a | | |
| 37a | | |
- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . .
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)
- b** Enter the final maturity date of the GIC ▶ _____
- 37** Pooled financings: **a** Proceeds of this issue that are to be used to make loans to other governmental units
- b** If this issue is a loan made from the proceeds of another tax-exempt issue, check box and enter the name of the issuer ▶ _____ and the date of the issue ▶ _____
- 38** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶
- 39** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶
- 40** If the issuer has identified a hedge, check box ▶

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ *[Signature]* ▶ 4/22/2020 ▶ STEVEN J. GAFFIGS MAYOR.

Signature of issuer's authorized representative Date Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶	EIN	Phone no. ()	

Caterpillar Global Services LLC
 100 NE ADAMS ST
 PEORIA IL 61629

INVOICE

Invoice	INV0000000005741
Date	3/11/2020
Page	1

Bill To:

CITY OF HAYDEN
 8930 N GOVERNMENT WAY
 HAYDEN ID 83835

Ship To:

CITY OF HAYDEN
 8930 N GOVERNMENT WAY
 HAYDEN ID 83835

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
	CITY OF HAYDEN			Due Upon Receipt	3/11/2020	5,695
Units/Hours	Item Number	Description	Unit Price	Ext. Price		
600.00	F5K00386-6	Billed Service Fee Per Hour - 930M - F5K00386	\$37.34	\$22,404.00		
				Total	\$22,404.00	

Invoice prepared
 on behalf of Caterpillar Financial Services Corporation

Please Remit To:
Caterpillar Global Services LLC
 24080 Network Place
 Chicago, IL 60673-1240

SCHEDULE 2

[Details on Contract Payments, including Amortization Schedule, to be added]

EXHIBIT 2
Concluding Payment Schedule to Governmental Agreement

Quote number

Dated , 20

647-8791

between
Caterpillar Financial Services Corporation and
CITY OF HAYDEN

Description of Unit: 1 Caterpillar 930M

Date Due	Number of Payments Made	Beginning Balance	Payment Amount	Balloon	Interest 3.85070%	Concluding Payment (*)
Feb-26-20	1	203,450.00	20,880.65	0.00	0.00	182,569.35
Feb-26-21	2	182,569.35	20,880.65	0.00	7,030.20	168,718.90
Feb-26-22	3	168,718.90	20,880.65	0.00	6,496.86	154,335.11
Feb-26-23	4	154,335.11	20,880.65	0.00	5,942.99	139,397.45
Feb-26-24	5	139,397.45	20,880.65	0.00	5,367.77	123,884.57
Feb-26-25	6	123,884.57	0.00	128,655.00	4,770.43	0.00
t o t a l			104,403.25	128,655.00	29,608.25	

(*) Does not include any rent payment or other amount then due.

Initialed:

(Lessee)